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BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF HAWAII

In the Matter of the Application of	-)
MAUI ELECTRIC COMPANY, LIMITED) Docket No. 2006-0387
For Approval of Rate Increases and Revised Rate Schedules and Rules	PUBLIC UTILITIES COMMISSION
STIPULATED PROCEDURAL ORDER NO)
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Chief Clerk of the Comm	ission

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF HAWAII

In the Matter of the Application of)
MAUI ELECTRIC COMPANY, LIMITED) Docket No. 2006-0387
For Approval of Rate Increases and Revised Rate Schedules and Rules)))

STIPULATED PROCEDURAL ORDER

Applicant Maui Electric Company, Limited ("MECO") and the Division of Consumer Advocacy of the Department of Commerce and Consumer Affairs (the "Consumer Advocate") hereby stipulate that the attached Stipulated Procedural Order is mutually acceptable to each respective Party.

DATED: Honolulu, Hawaii, May 24, 2007.

PETER Y. KIKUTA, ESQ.

Attorney for

Maui Electric Company, Limited

JON. S. ITOMURA, ESQ.

LANE H. TSUCHIYAMA, ESQ.

Attorneys for

Division of Consumer Advocacy

Department of Commerce and Consumer Affairs

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF HAWAII

In the Matter of the Application of)	
MAUI ELECTRIC COMPANY, LIMITED)	Docket No. 2006-0387
For Approval of Rate Increases and Revised Rate Schedules and Rules))	
)	

STIPULATED PROCEDURAL ORDER

On February 23, 2007, Maui Electric Company, Limited ("MECO") filed an application for approval of a general rate increase and revised rate schedules and rules ("Application").

MECO served copies of the Application on the Division of Consumer Advocacy, Department of Commerce and Consumer Affairs ("Consumer Advocate") and the Mayor of the County of Maui.

On April 24, 25 and 26, 2007, the Commission held public hearings at the Mitchell Pauole Center in Kaunakakai, Molokai, the Lihikai School Cafeteria in Kahului, Maui and the Lanai High and Elementary School Cafeteria in Lanai City, Lanai, respectively.

On April 16, 2007, the Commission issued Order No. 23370 which ordered that the filing date of MECO's complete Application is February 23, 2007 and directed MECO and the Consumer Advocate (collectively "Parties") to submit to the Commission a stipulated procedural order within 30 days of the date of the order, and that the stipulated procedural order should include a stipulated regulatory schedule that, to the extent possible, allows the Commission to complete its deliberations and issue a decision in this proceeding by November 23, 2007.

MECO and the Consumer Advocate have reached agreement on the prehearing matters and submitted a Stipulated Procedural Order acceptable to the Parties.

ACCORDINGLY, IT IS ORDERED that the following Statement of Issues, Schedule of Proceedings, and procedures shall be utilized in this docket.

I. STATEMENT OF THE ISSUES

The issues in this case are:

- 1. Is MECO's proposed rate increase reasonable?
 - a. Are the proposed tariffs, rates, charges and rules just and reasonable?
 - b. Are the revenue forecasts for Test Year 2007 at present rates and proposed rates reasonable?
 - c. Are the projected operating expenses for Test Year 2007 reasonable?
 - d. Is the projected rate base for Test Year 2007 reasonable, and are the properties included in rate base used or useful for public utility purposes?
 - e. Is the requested rate of return fair?
- 2. What is the amount of the Interim Rate Increase, if any, to which MECO is probably entitled under §269-16(d) of the Hawaii Revised Statutes?

II. SCHEDULE OF PROCEEDINGS

MECO Application, Testimonies, Exhibits and Workpapers

February 23, 2007

April 24-26, 2007

Consumer Advocate Information Requests ("IRs") to MECO

April 2, 2007

May 21, 2007

June 22 2007

July 24, 2007

August 20, 2007

September 10, 2007

Whenever possible, Parties will provide a copy of documents electronically upon request.

MECO Responses to CA IRs ²	April 23, 2007
•	June 8, 2007
	July 10, 2007

June 8, 2007 July 10, 2007 August 8, 2007 August 30, 2007 September 21, 2007

Consumer Advocate Testimonies, Exhibits and Workpapers October 3, 2007

MECO IRs to Consumer Advocate² October 5-17, 2007

Consumer Advocate Responses to MECO IRs October 17-26, 2007

Settlement Proposal Submitted to Consumer Advocate November 1, 2007

Settlement Discussion between MECO and Consumer November 5-9, 2007

Advocate

MECO Rebuttal Testimonies, Exhibits, and Workpapers

November 19, 2007

Consumer Advocate Rebuttal IRs ("RIRs") to MECO² November 26-30, 2007

MECO's Responses to Consumer Advocate RIRs² December 5-10, 2007

Prehearing Conference December 12, 2007

Evidentiary Hearing December 17-19, 2007

Statement of Probable Entitlement December 20, 2007

Simultaneous Opening Briefs by Parties 4 weeks after Transcripts

Simultaneous Reply Briefs by Parties 3 weeks after Opening Briefs

III. MISCELLANEOUS MATTERS TO FACILITATE AND EXPEDITE' THE ORDERLY CONDUCT OF THESE PROCEEDINGS

A. Requests for Information

A Party to this proceeding may submit information requests to another Party within the time schedule specified in this Stipulated Procedural Order. If a Party is unable to provide the information requested within the prescribed time period, it should so indicate to the inquiring Party as soon as possible. The Parties shall then endeavor to agree upon a later date for

submission of the requested information. If the Parties are unable to agree, the responding Party may seek approval for the late submission from the Commission upon a showing of good cause. It is then within the Commission's discretion to approve or disapprove such late filings and take any additional action that may be appropriate, such as extending the date for the Party to respond.

In lieu of responses to information requests that would require the reproduction of voluminous documents or materials (e.g. documents over 50 pages), the documents or materials may be made available for reasonable inspection and copying at a mutually agreeable designated location and time. In the event such information is available on computer diskette or other readily usable electronic medium, the Party responding to the information request shall make the diskette or such electronic medium available to the other Parties, and the Commission. Subject to objections that may be raised and to the extent practicable, the electronic files for spreadsheets will contain all cell references and formulae intact, and will not be converted to values prior to submission. A Party shall not be required, in a response to an information request, to provide data that is/are already on file with the Commission or otherwise part of the public record, or that may be stipulated to pursuant to Part D, infra. The responding Party shall, in lieu of production of a document in the public record, include in its response to the information request an identification of the document with reasonable specificity sufficient to enable the requesting Party to locate and copy the document. In addition, a Party shall not be required, in a response to an information request, to make computations, compute ratios, reclassify, trend, calculate, or otherwise rework data contained in its files or records.

For each response to an information request, the responding Party should identify the person who is responsible for preparing the response as well as the witnesses who will be

responsible for sponsoring the response at the evidentiary hearing.

A Party may object to responding to an information request that it deems to be irrelevant, immaterial, unduly burdensome, onerous or repetitious, or where the response contains information claimed to be privileged or subject to protection (confidential information). If a Party claims that information requested is confidential, and withholds production of all or a portion of such confidential information, the Party shall: (1) provide information reasonably sufficient to identify the confidential information withheld from the response, without disclosing privileged or protected information; (2) state the basis for withholding the confidential information (including, but not limited to, the specific privilege applicable or protection claimed for the confidential information and the specific harm that would befall the Party if the information were disclosed); and (3) state whether the Party is willing to provide the confidential information to some or all representatives of the Party pursuant to a protective order.

A Party seeking production of documents notwithstanding a Party's claim of confidentiality, may file a motion to compel production with the Commission.

The responses of each Party to information requests shall adhere to a uniform system of numbering agreed upon by the Parties. For example, the first information request submitted by the Consumer Advocate in this docket shall be referred to and designated as "CA-IR-1," and a response to this information request shall be referred to and designated as "Response to CA-IR-1."

Each response shall be provided on a separate page and shall recite the entire question asked and set forth the response and/or reference the attached responsive document.

B. Witnesses

Witnesses submitting written testimony and exhibits shall be made available for cross-examination at the evidentiary hearing. Witnesses should file the workpapers used in preparing

the evidence they sponsor at the time they submit their testimony and exhibits (statement of position) and have such workpapers available at the evidentiary hearing. Witnesses will not be permitted to read prefiled written testimony at the evidentiary hearings.

At the evidentiary hearing, each witness may give a brief oral summary of the written testimony and exhibits and shall summarize the issues raised by such testimony or statement of position. Each witness representative shall be subject to cross-examination for both direct and rebuttal testimony and exhibits or statement of position.

The Parties shall cooperate to accommodate the schedules of mainland witnesses and will inform the Commission in advance of any scheduling difficulties with respect to such witnesses. If a Party has an objection to a timely request to schedule a mainland witness in advance of other witnesses, the Party shall make a timely objection to the Commission. The Parties will make their best effort to accommodate the schedules of mainland witnesses by coordinating their appearance at the evidentiary hearing.

C. Form of Prepared Testimony

All prepared testimony, including text and exhibits, shall be prepared in written form on 8-1/2" x 11" paper with line numbers and page numbers, and shall be served on the dates designated in the Schedule of Proceedings.

Each Party shall be permitted to follow its own numbering system for written testimony and exhibits, provided that the numbering system utilized is consistent and is clearly understandable. Each Party shall prepare a list of its exhibits by exhibit numbers and titles.

The Parties shall be permitted to make revisions to exhibits after the designated dates appearing in the Schedule of Proceedings. Revisions shall bear appropriate revision dates.

However, revisions or additions that do more than correct typographical errors, update facts, or

give numerical comparisons of the positions taken by the Parties, shall not be submitted except with the approval of the Commission.

Generally, exhibits should include appropriate footnotes, or narratives inserted in the related testimony, setting forth the sources of the information used and explaining the methods employed in making statistical compilations or estimates.

D. Matters of Public Record

To reduce unnecessary reproduction of documents and to facilitate these proceedings, identified matters of public record shall be admissible in this proceeding without the necessity of reproducing each document; provided that the document to be admitted is clearly identified by reference to the place of publication, file or docket number, and the identified document is available for inspection by the Commission and the Parties; and further provided that any Party has the right to explain, qualify or conduct examination with respect to the identified document. The Commission can rule on whether the identified document can be admitted into evidence when a Party proffers such document for admission as evidence in this case.

From time to time, the Parties may enter into stipulations that such documents, or any portion of such documents, may be introduced into evidence in this case.

E. Copies of Testimony, Exhibits and Information Requests

1. <u>Testimony, Exhibits, Workpapers, Statement of Position, Information Requests, Responses to Information Requests, Briefs:</u>

Commission

Original + 8 copies

MECO

3 copies

Consumer Advocate

6 copies

All pleadings, briefs and other documents required to be filed with the
 Commission shall comply with the formatting requirements prescribed pursuant to Chapter 61,

Subchapter 2, Section 6-61-16 of the Commission's Rules of Practice and Procedure and shall be filed at the office of the Commission in Honolulu within the time limit prescribed pursuant to Chapter 61, Subchapter 2, Section 6-61-15 of the Commission's Rules of Practice and Procedure.

3. Copies of all filings, information requests and information request responses should be sent to the Parties by hand delivery or United States mail (first class, postage prepaid). In addition, if available, all Parties shall provide copies of their filings, information requests and information request responses to the other Parties via diskette or e-mail in a standard electronic format that is readily available by the Parties. The Parties agree to use Word 97, Word 2000 or Word 2003 as the standard programming format for filings in this case. However, if workpapers, documentation, or exhibits attached to any filing are not readily available in an electronic format, a Party shall not be required to convert such workpapers, documentation, or exhibits into an electronic format. Also, existing documents produced in response to requests need not be converted to Word 97/Word 2000/Word 2003 as long as the applicable format is identified. In the event a copy of a filing, information request or information request response is delivered to a Party via diskette or e-mail, unless otherwise agreed to by such Party, the same number of copies of such filing, information request or information request response must still be delivered to such Party by hand delivery or United States mail (first class, postage prepaid) as provided in Parts F.1 above.

F. Order of Examination at the Evidentiary Hearing

Pursuant to Chapter 61, Subchapter 3, Section 6-61-31, of the Commission's Rules of Practice and Procedure, MECO's witnesses shall open with its direct case. The Consumer Advocate's direct case shall be presented after MECO's direct case. MECO shall close with its rebuttal case.

Examination of any witness shall be limited to one attorney or representative for a Party. The Parties shall avoid duplicative or repetitious cross-examination. Friendly cross-examination will not be allowed. Cross-examination shall be limited to witnesses whose testimony is adverse to the Party desiring to cross-examine. Recross-examination shall be limited to the extent of material covered in redirect examination unless otherwise permitted by the Commission.

G. Communications

Chapter 61, Subchapter 3, Section 6-61-29 of the Commission's Rules of Practice and Procedure concerning ex parte communications is applicable to any communications between a Party and the Commission. However, the Parties may communicate with Commission counsel on matters of practice and procedure through their own counsel or designated official.

Communications between the Parties should either be through counsel or through designated representatives. All pleadings, papers, and other documents filed in this proceeding shall be served on the opposing Party. All motions, supporting memoranda, and the like shall also be served on opposing counsel.

H. General

These procedures are consistent with the orderly conduct of this docket. This Stipulated Procedural Order shall control the subsequent course of these proceedings, unless modified by the Parties in writing and approved by the Commission, or upon the Commission's own motion.

This Stipulated Procedural Order may be executed by the Parties in counterparts, each of which shall be deemed an original, and all of which taken together shall constitute one and the same instrument. The Parties may execute this Stipulated Procedural Order by facsimile for initial submission to the Commission to be followed by the filing of originals of said facsimile pages.

DONE at Honolulu, Hawaii, this		day of, 2007.
		LIC UTILITIES COMMISSION HE STATE OF HAWAII
	Ву	Carlito P. Caliboso, Chairman
	Ву	John E. Cole, Commissioner
APPROVED AS TO FORM:		
By Ji Sook Kim Commission Counsel		

CERTIFICATE OF SERVICE

I hereby certify that I h	ave this date served a copy of the foregoing Stipulated Procedural
Order No.	upon the following Parties, by causing a copy hereof to be
mailed, postage prepaid, and p	roperly addressed to each such Party.
DEPARTMENT OF CODIVISION OF CONSUBUTE OF CON	oom 326
EDWARD L. REINHA PRESIDENT MAUI ELECTRIC CO P.O. Box 398 Kahului, Hawaii 96733	MPANY, LIMITED
DEAN K. MATSUURA DIRECTOR-REGULA HAWAIIAN ELECTRI P. O. Box 2750 Honolulu, Hawaii 9684	TORY AFFAIRS IC COMPANY, INC.
PETER Y. KIKUTA GOODSILL ANDERSO 1800 Alii Place 1099 Alakea Street Honolulu, Hawaii 968	- -
•	Karen Higashi
DATED:	